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MARYLAND BRIEFING

Spending Plan Would Boost School Funding

The Montgomery County Council yesterday agreed on a \$3.9 billion fiscal 2007 operating budget that boosts spending on schools and transportation while reducing the property tax rate.

Much of it — \$1.85 billion — will go to the public school system, which is a \$137 million increase. The council will increase its oversight of the system by hiring two analysts to focus on the schools budget. The council also approved a 5-cent cut in the property tax rate and a one-time \$221 credit to eligible homeowners. More property tax relief could come in the form of a "circuit-breaker" tax credit for homeowners who make less than \$64,000 a year. The credit would apply to the first \$300,000 of the home's value, averaging \$804 in relief per household. Most homeowners will see higher tax bills because of rising property assessments. The council plans a final vote on the budget May 25.

— Nancy Trejos

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